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SIPDIS

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SUBJECT: NEW HESSE CABINET: KOCH PICKS THREE NEW MINISTERS,

ADDS NEW MINISTRY

11. Summary: (SBU) After winning an absolute majority in February 2 state elections, Hesse Minister-President Roland Koch (Christian Democratic Union - CDU) announced three new ministers for his state cabinet on February 24. Two of them, Stefan Gruettner (Minister of the State Chancellery) and Udo Corts (Minister for Culture, Higher Education and Science), were expected. The new Economics Minister, Alois Rhiel, currently the Lord Mayor of Fulda, was a surprise.

Jochen Riebel will no longer be chief of the State
Chancellery. Despite taxpayer criticism, Koch increased the number of ministries from nine to ten in response to internal party pressure to better balance the cabinet geographically. Koch was also criticized by the CDU women's caucus and the media for not naming a third female minister. End Summary.

Short Bios of New CDU Ministers

- 12. (SBU) Alois Rhiel, the new Hesse Minister for Economics, Transport and Development is Lord Mayor of Fulda. Before that, he was a manager for the Tegut grocery store chain. His previous position in government was as Commissioner for the town of Giessen in 1991. Rhiel is a good contact of the Consulate and has supported various U.S.-German initiatives in Fulda. The new minister is a moderate CDU politician, has an economics background, and is open to new ideas in environmental policy. Rhiel is from eastern Hesse and claims to represent north Hesse in the cabinet. By replacing former Economics Minister Posch (a true north Hessian) with Rhiel, Koch has increased the influence of eastern Hesse while preserving north Hesse's standing in the Cabinet, at least on paper. Some in the north Hesse CDU complain they had hoped for a bigger reward for delivering a strong CDU election victory in a traditionally Social Democratic Party (SPD) region.
- 13. (SBU) Udo Corts, Minister for Culture, Higher Education and Science, replaces outgoing minister Ruth Wagner (FDP). By winning his constituency in Frankfurt, Corts guaranteed himself a place in the Cabinet. However, his nomination as Minister for Higher Education came as a surprise. While acknowledged as a talented administrator, Corts has no background in the area of education policy. Previously State Secretary in the Interior Ministry, Corts is seen as a potential successor to Koch as Minister-President of Hesse. Corts is also Chairman of the Frankfurt CDU and was Commissioner for Construction in Frankfurt before joining the Interior Ministry. He is a Consulate International Visitor candidate this year.
- 14. (SBU) Stefan Gruettner, Minister of the State Chancellery, is one of ConGen Frankfurt's best contacts in the Hesse CDU parliamentary group and a successful state parliamentary caucus manager. His promotion to the State Chancellery is no surprise. Gruettner is from the more conservative side of the party and his relations with the new parliamentary group chairman Franz Josef Jung are known to be rocky. Had Gruettner stayed on as parliamentary caucus manager, Jung would have asked for his resignation. Gruettner will become Koch's "right hand" in this new position. Gruettner was the CDU chairman of the CDU donation scandal investigation committee and did a good job helping restore respectability to the party. Though competent in several policy areas, his background is mainly in social policy. Gruettner is originally from Offenbach, and was Offenbach Commissioner for Social Affairs from 1991-11995.

New State Secretary

15. (SBU) Oda Scheidelhuber's appointment to State Secretary in the Interior Ministry, is another concession to the north Hesse region, where Koch received a great deal of voter support in recent elections. Koch was criticized, however, for not promoting a woman to a minister position. Scheidelhuber is considered by some to be one of two token women in the cabinet. As Regierungspraesidentin in Kassel, Scheidelhuber is known for making the north Hesse district administration more service-oriented.

- 16. (SBU) Jochen Riebel is now Minister for Federal (Bundesrat) and European Affairs and becomes the state's representative in Berlin, but has lost the State Chancellery to Gruettner (see above para 4). (Note: By splitting these two functions, Koch has created a new ministry. End Note.) Koch has stated publicly that this change is not an expression of any lack of confidence in the minister and that Riebel's portfolio will be strengthened according to the Bavarian model. Many doubt this. Riebel is seen as lackluster, overwhelmed by his work and without much of a political future. His new role will be more representative than substantive.
- \P 7. (U) Successors for Stefan Gruettner and Oda Scheidelhuber have not been announced yet. The following positions remain unchanged (all are CDU):

Karin Wolf, Minister for Education and new Deputy Minister President.

Volker Bouffier, Interior Minister. Christean Wagner, Justice Minister.

Wilhelm Dietzel, Agriculture and Environment Minister.

Karlheinz Weimar, Finance Minister.

Silke Lautenschlaeger, Social Minister.

Comment

- 18. (SBU) Koch was apparently driven by internal party pressure to change the geographic balance of the cabinet. Frankfurt, Fulda and north Hesse felt under-represented in the previous Koch administration. The overall number of ministries has been increased to ten, a move criticized by the League of Taxpayers. The number of female ministers was reduced by one, despite the Cabinet's expansion and lobbying by the CDU women's caucus. The new cabinet has more representatives from cities, Gruettner, Corts, Rhiel and Scheidelhuber. Koch was also criticized previously for not having adequate representation of the more liberal wing of the Hesse CDU, now also corrected with Corts, Rhiel and Scheidelhuber. Despite winning an absolute majority in February elections, Koch may have a difficult five years ahead of him. Fifty-three of the new state parliament members won their constituencies directly. Koch will thus have many "little kings" to deal with.
- $\underline{\ ^1}9.$ (U) This message was coordinated with Embassy Berlin.

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